

M104510049  
M104510078  
cc: Leslie

**Desert Hawk Gold Corp.**

1290 Holcomb Ave  
Reno Nevada 89502

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Date: January 23, 2012

To: Oren Gatton NAE  
Leslie Hepler- DOGM ✓  
From: Rick Havenstrite

Subject: Extension of Construction Permits for DEQ

FYI

Rick Havenstrite P.E.--Pres  
Desert Hawk Gold Corp.

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**JAN 23 2012**

**DIV. OF OIL, GAS & MINING**



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GREG BELL  
*Lieutenant Governor*

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Environmental Quality

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*Executive Secretary*

January 10, 2012

Rick Havenstrite, President  
Desert Hawk Gold Corporation  
1290 Holcomb Avenue  
Reno, Nevada 89502

Dear Mr. Havenstrite:

Subject: Extension of Construction Permits for Cactus Mill and Kiewit Project

The Division of Water Quality (DWQ) issued a Construction Permit to Desert Hawk Gold Corporation (Desert Hawk) on January 28, 2010 for the Cactus Mill pilot project after reviewing and approving engineering design plans and specifications. Subsequently, some engineering design changes were made and a revised Construction Permit was issued on June 28, 2010. On October 26, 2010, DWQ issued a Construction Permit for the Kiewit Project after reviewing and approving engineering design plans and specifications.

As we indicated to you in our November 30, 2011 letter, Construction Permits expire one year from the date of issuance, unless substantial progress has been made constructing the approved facilities, or new plans and specifications have been re-submitted and the construction permit has been re-issued. However, based on recent correspondence with you, we understand that construction has been delayed for these projects pending the completion of mining permit amendment reviews by the Utah Division of Oil, Gas and Mining (M/045/0049 and M/045/0078), and a Bureau of Land Management permit application review (3809U8734). In the interim, the best available technology for these construction permits has not changed, nor has Desert Hawk made any engineering design changes for either pilot project. Therefore, DWQ will allow an extension of these Construction Permits pending the completion of the DOGM and BLM permit application reviews.

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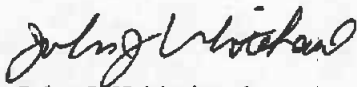
DIV. OF OIL, GAS & MINING

Mr. Rick Havenstrite  
January 10, 2012  
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If you have any questions about this letter, please contact Rob Herbert at (801) 536-4350 or [rherbert@utah.gov](mailto:rherbert@utah.gov).

Sincerely,

UTAH WATER QUALITY BOARD



John J. Whitehead  
Acting Executive Secretary

JW/RFH:mhf

Cc: Paul Baker, Division of Oil, Gas & Mining

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